
Public Utilities Commission of the State of California

***Public Agenda 3003
Thursday, November 5, 1998, 10 a.m.
San Francisco, California***

Commissioners
Richard A. Bilas, President
P. Gregory Conlon
Jessie J. Knight, Jr.
Henry M. Duque
Josiah L. Neeper

For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.

Website: <http://www.cpuc.ca.gov>

Scheduled Commission Meetings
505 Van Ness Avenue, San Francisco

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <i>Closed to the Public</i>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <i>Open to the Public</i>
✓ Monday, November 2	Thursday, November 5
Monday, November 16	Thursday, November 19
Monday, November 30	Thursday, December 3
Monday, December 14	Thursday, December 17

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered. A "✓" next to the date indicates that the meeting will be held. A "✓" next to the item number on the Agenda indicates that the matter will be considered during the Ratesetting Deliberative Meeting.*

Matters of Public Interest
For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.

For further information contact the Public Advisor
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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
- CA-4, 1

CONSENT AGENDA

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

ORDERS AND RESOLUTIONS

- CA-1** **Res TL-18868** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **Res TL-18869** - Resolution denying issuance of charter-party authority or household goods carrier authority for failure to satisfy statutory provisions of the Public Utilities Code and Commission General Orders.
- CA-3** **R88-08-018 - Order instituting rulemaking into natural gas procurement and system reliability issues. R90-02-008, I87-03-036, C89-05-016 - Related matter.**
This decision grants The Utility Reform Network an award of \$260,057 compensation for its contribution to numerous decisions in these dockets resolving issues related to natural gas industry restructuring which have been issued over the past ten years. These proceedings are closed.
(Com Bilas - ALJ Malcolm)

- CA-4** **I97-06-036 - Order Instituting Investigation on the Commission's own motion into the operations and practices of Elite Moving and Storage, Inc. (Elite) and its Chairman, John Small and its President, Chad Price, as individuals.**
This decision permanently revokes the household goods carrier permit, number T-184-023, of respondent Elite. The Commission's staff is directed to take all appropriate action to return to the rightful owner(s) any property which is the subject of this investigation that may remain in the respondent's custody. This proceeding is closed.
(Com Bilas - ALJ Ryerson)
(Section 311)
- CA-5** **A98-07-044 - CyberNet Communications, Inc. (CyberNet).**
This decision grants the application of CyberNet for a certificate of public convenience and necessity to resell local exchange telecommunications service. This proceeding is closed.
(Com Knight - ALJ O'Donnell)
- CA-6** **C98-05-025 - Westhaven Cotton Company vs. Southern California Gas Company.**
This decision dismisses the complaint at the written request of complainant and disburses the funds on deposit to defendant. This proceeding is closed.
(Com Duque - ALJ Stalder)
- CA-7** **C97-04-065 - Southern California Edison Company (Edison) vs. California Cable Television Association.**
Complaint of Edison against CCTA is dismissed for failure to state a cause of action. This proceeding is closed.
(Com Duque - ALJ Wright)
(Agenda 3001, Item CA-26, 10/8/98; Req - Commission)
- CA-8** **A96-05-022 - Pacific Gas and Electric Company.**
For authority to establish its authorized rate of return on common equity, establish its authorized capital structure, adjust its cost factors for embedded debt and preferred stock, and establish its overall rate of return for calendar year 1997. A96-05-023, A96-05-024, A96-05-043 - Related matters. This decision denies Consumers for the Public Interest (CPI) an award of compensation for CPI failed to demonstrate a substantial contribution to D96-11-060. These proceedings are closed.
(Com Duque - ALJ Hale)

- CA-9 A90-03-008 - Pacific Bell.**
Seeking to amend General Order 96-A. This decision determines that the rehearing ordered in D91-07-010 should not be held. This proceeding is closed.
(Com Bilas - ALJ Weismehl)
- CA-10 Res W-4120 - Tahoe Swiss Village Utility.**
This resolution authorizes an offset rate increase of \$7,015 or 6.60% and one-time surcharge of \$917 for department of Health Services Fees.
(Advice Letter (AL) 7, filed March 13, 1998, and supplemented by AL 7-A, filed September 18, 1998)
- CA-11 A98-08-013 - Z-Tel Communications, Inc.**
This decision grants applicant a certificate of public convenience and necessity to operate as a local exchange service reseller. This proceeding is closed.
(Com Knight - ALJ O'Donnell)
- CA-12 (ECP) C97-10-077 - Whiskey Run Homeowners Association vs. Kirkwood Gas and Electric Company.**
This decision corrects D98-08-010 to disburse \$4,878 to the defendant, who prevailed in this proceeding. This proceeding is closed.
(Com Bilas - ALJ Bennett)
- CA-13 A98-03-017 - Kevin Otha Chambers dba Chambers Airport Express.**
This decision authorizes applicant to operate an on-call passenger stage corporation between points in the Counties of Alameda and Contra Costa and Oakland International Airport. This proceeding is closed.
(Exam Koss)

- CA-14 A92-12-043 - Pacific Gas and Electric Company (PG&E).**
For an order pursuant to Section 1005.5(b) of the Public Utilities Code to increase the maximum cost specified in PG&E's certificate of public convenience and necessity to construct the California portion of the expansion of its natural gas pipeline. A93-03-038, A94-05-035, A94-06-034, A94-09-056, A94-06-044, A96-08-043, R90-02-008, R88-08-018, R92-12-016, I92-12-017, A92-07-049, A95-02-008, A95-02-010, A94-11-015, A93-04-011, A94-04-002, A95-04-002, A96-04-001, A94-12-039 - Related matters. This decision awards compensation of \$431,415.30 to The Utility Reform Network for its contribution to D97-08-055. A92-12-043, A93-03-038, A94-05-035, A94-06-034, A94-09-056, A94-06-044, R90-02-008, R88-08-018, R92-12-016, I92-12-017, A95-02-008, A95-02-010, A93-04-011, A94-04-002, A95-04-002, A96-04-001, and A94-12-039 are closed.
(Coms Bilas/Neeper - ALJ Cragg)
- CA-15 A98-04-018 - Laura Lee Nelson dba Metropolitan Express.**
This decision authorizes applicant to extend its authority to operate as a scheduled passenger stage corporation between certain points in the City of Los Angeles and Los Angeles International Airport and AMTRAK Station in the City of Los Angeles. This proceeding is closed.
(Exam Koss)
- CA-16 C98-06-055 - California Wireless Resellers Association (California
(Rev.) Wireless) vs. Los Angeles Cellular Telephone Company (Los Angeles
Cellular) and AirTouch Cellular (AirTouch).**
California Wireless, representing wireless telephone resellers in the Los Angeles area, complains that Los Angeles Cellular and AirTouch refuse to supply certain digital cellular service products on terms and at rates that would qualify as wholesale. Defendants move to dismiss on grounds that the Commission lacks jurisdiction to adjudge the lawfulness of rates charged by cellular telephone carriers. The motion is granted. This complaint is dismissed. This proceeding is closed.
(Com Duque - ALJ Walker)
[This revision was not listed on the agenda distributed to the public.](#)

CA-17 C95-02-019 - Jack H. Shields and Billie L. Shields vs. Volcano Telephone Company (Volcano) and Pacific Bell.

This decision awards complainants \$30,400, plus interest, for their substantial contribution to D97-06-106 and directs Volcano to pay the award. This proceeding is closed.

(Com Knight - ALJ Hale)

✓ CA-18 **A98-03-020 - Dominguez Water Company, Russian River Management Company (Russian River) dba Rancho Del Paradiso Water Company (Rancho) and Phillip, Janet, Jesse and Gaye Guidotti (the Shareholders).**

For an Ex Parte order authorizing the acquisition of substantially all of the utility assets of Rancho by Dominguez. A98-03-021 - Related matter. This decision authorizes Russian River (dba Armstrong Water Co. (Armstrong) and Rancho), and their sole owners, the Shareholders to sell and transfer to Dominguez, and Dominguez to purchase and acquire the land and company funded plant assets of Armstrong and Rancho, and for Dominguez to assume the Safe Drinking Water Bond Act loan obligations of Armstrong and Rancho. As compensation Dominguez will cause issuance of shares of its parent corporation's (Dominguez Services Corp.) stock; the number of these National Association of Securities Dealers Automated Quotations quoted shares being determined at an all party settlement "fair market value" of the Armstrong and Rancho assets at closing day (9/30/97) after adjustment for a 1/1/98 stock split. Pursuant to PU Code § 2720, this "fair market value" of the assets is adopted by Dominguez for future rate base and ratesetting purposes. This proceeding is closed.

(Com Duque - ALJ Weiss)

(Section 311)

✓ CA-19 **A98-02-028 - Dominguez Water Corporation (Dominguez), Lucerne Water Company (Lucerne), and Robert and Nadine Strauss (the Strausses).**

This decision authorizes Lucerne and its owners, the Strausses, to sell and transfer the rate based land and company funded assets of Lucerne, and Dominguez to purchase and acquire these assets, and Dominguez to assume the substantial Safe Drinking Water Bond Act loan obligations of Lucerne. Dominguez will cause issuance of shares of its parent corporation (Dominguez Services Corp.) stock as compensation; the number of these National Association of Securities Dealers Automated Quotations quoted shares being set at the "fair market value" of the Lucerne land and company funded plant on closing day 9/30/97. It is further provided, pursuant to PU Code § 2720 that this fair market valuation be adopted for rate base and rate setting purposes. This proceeding is closed.

(Com Duque - ALJ Weiss)

(Section 311)

- CA-20 Res O-0030 - All American Pipeline Company (AAPL).**
This resolution approves AAPL's request to abandon its Pentland Station, Kern County to Mojave, Kern County Pipeline Service and cancel existing tariffs.
(Advice Letter 3, filed September 16, 1998)
- CA-21 A98-09-002 - GTE California Incorporated (GTEC).**
This decision grants GTEC authority to issue, sell, and deliver up to \$600,000,000 of Private Placement Notes or Debentures. This proceeding is closed.
(Exam Evans)
- CA-22 R97-04-011 - Order instituting rulemaking to establish standards of conduct governing relationships between energy utilities and their affiliates. I97-04-012 - Related matter.**
This decision grants The Utility Reform Network an award of \$51,835.30 in compensation for its contribution to D97-12-088.
(Coms Bilas/Knight - ALJ Vieth)
- CA-23 R94-04-031 - Order instituting rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.**
This decision denies Public Media Center's (PMC) motion for determination of procedure for accepting notice of intent to claim compensation. PMC failed to timely identify the issues that it participated in and failed to timely file its motion requesting what procedure PMC should follow for filing its notice of intent.
(Coms Knight/Neeper - ALJ Wong)
- CA-24 C97-11-014 - Joanne Carey vs. Pacific Gas and Electric Company, et al.**
This decision extends the 12-month statutory deadline imposed by Public Utilities Code Section 1701.2(d).
(Com Bilas - ALJ Bennett)

CA-25 A98-09-019 - Pacific Bell (Pacific).

This decision amends Pacific's certificate of public convenience and necessity, authorizing non-facilities based resale of local exchange telecommunications services in the service areas of Roseville Telephone Company and Citizens Telephone Company. This proceeding is closed.
(Com Conlon - ALJ Mattson)

CA-26 A98-06-024 - Boris Dinerman (Transferor).

This decision authorizes Transferor to sell and Igor Bronshteyn to purchase 67% of the shares of Shapiro, Dinerman and Kaplun, Inc., operators of Bay Shuttle. This proceeding is closed.
(Com Conlon - ALJ Rosenthal)

REGULAR AGENDA**UTILITY AND TRANSPORTATION ORDERS****ORDERS HELD OVER**

- H-1** **C97-02-027 - Pacific Bell (Pacific) vs. MCI Telecommunications Corporation (MCI).**
This decision grants the complaint of Pacific against MCI regarding MCI's alleged failure to remit the Pay Station Service Charge (PSSC) as required by Pacific's tariff and Resolution T-15782. MCI is ordered to pay the PSSC to Pacific in the amount of \$2,097,432 for the period of April 12, 1996, through June 9, 1997. MCI is also ordered to pay the PSSC to the Intervenors in the amount of \$24.63 for each payphone the Intervenors had in service for the period of April 12, 1996 through November 6, 1996. In addition, this decision orders MCI to pay interest to Pacific and the Intervenors assessed in accordance with Pacific's tariffs. Finally, MCI is ordered to file a new PSSC tariff within 30 days. This proceeding is closed. (Com Bilas - ALJ Kenney)
(Section 311)
(Agenda 2997, Item CA-3, 7/23/98; Agenda 2998, Item H-2, 8/6/98; Agenda 3000, Item H-2, 9/17/98; Agenda 3001, Item H-1, 10/8/98; Req - Commission)
- H-1a** **ALTERNATE PAGES TO H-1.** These alternate pages would impose a penalty on MCI for its failure to comply with Resolution T-15782. (Com Duque)
(Agenda 3000, Item H-2a, 9/17/98; Agenda 3001, Item H-1a, 10/8/98; Req - Commission)
- H-2** **R94-04-031 - Order instituting rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.**
This decision addresses the Qualifying Facility Restructuring Reasonableness Letter (QFRRL) proposal made by six parties to this proceeding. This decision adopts the QFRRL proposal with the minor modifications and clarifications set forth in this decision. (Com Neeper - ALJ Econome)
(Agenda 3001, Item 4, 10/8/98; Req - Commission)

- H-3** **R94-04-031 - Order instituting rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.**
This decision denies the petition to modify D97-05-039 filed on May 4, 1998 by School Project for Utility Rate Reduction and Regional Energy Management Coalition (jointly, SPURR/REMAC) to permit customers who do not purchase electric service from utility competitors to have the choice of subscribing to metering services of utility competitors. We grant a related proposal filed by San Diego Gas & Electric, SPURR/REMAC, Cellnet, Itron, Southern California Edison Company, Pacific Gas & Electric Company, and Coalition of California Utility Employees.
(Com Duque - ALJ Malcolm)
(Agenda 3001, Item CA-32, 10/8/98; Agenda 3002, Item CA-25, 10/22/98; Req - Commission)
- H-3a** **ALTERNATE ORDER TO ITEM H-3.** This decision denies the petition to modify D97-05-039 filed on May 4, 1998 by School Project for Utility Rate Reduction and Regional Energy Management Coalition (jointly, SPURR/REMAC) to permit customers who do not purchase electric service from utility competitors to have the choice of subscribing to metering services of utility competitors. We deny a related proposal filed by San Diego Gas & Electric, SPURR/REMAC, Cellnet, Itron, Southern California Edison Company, Pacific Gas & Electric Company and Coalition of California Utility Employees.
(Com Knight)
[This item was not listed on the agenda distributed to the public.](#)
- H-4** **A97-06-002 - Pacific Gas and Electric Company (PG&E) and Richard L. Wills and Donna M. Wills (buyers).**
This decision authorizes PG&E to sell and transfer two undeveloped parcels of land in Fremont, Alameda County, to buyers pursuant to Public Utilities Code Section 851. This proceeding is closed.
(Com Bilas - ALJ Wright)
(Agenda 3001, Item CA-7, 10/8/98; Agenda 3002, Item H-1, 10/22/98; Req - Commission)

H-5 R97-04-011 - Order instituting rulemaking to establish standards of conduct governing relationships between energy utilities and their affiliates. I97-04-012 - Related matter.

This decision imposes a penalty of \$336,000 against Pacific Gas and Electric Company for 18 separate violations of Rule V.F.1 of the Affiliate Transaction Rules. This penalty consists of \$17,500 for each of the four publications of the March 16, 1998, "High Voltage" advertisement and \$19,000 for the publication of each of the fourteen remaining advertisements. The factors we consider in determining the amount of the penalty for each violation include the appropriateness of such a penalty to the size of the business, the gravity of the violation, and the good faith of the person charged in attempting to achieve compliance after having received notification of the violation.

(Coms Bilas/Knight - ALJ Econome)

(SB 960 Experiment: Quasi-legislative Category)

(Agenda 2999, Item 4, 9/3/98; Agenda 3000, Item H-7, 9/17/98; Agenda 3001, Item H-5, 10/8/98; Agenda 3002, Item H-2, 10/22/98; Req - Commission)

- H-5a** **ALTERNATE ORDER TO ITEM H-5.** This alternate order would impose a penalty against Pacific Gas and Electric Company for 90 violations of Rule V.F.1 of the Affiliate Transaction Rules.
(Com Bilas)
(Agenda 3000, Item H-7a, 9/17/98; Agenda 3001, Item H-5a, 10/8/98; Agenda 3002, Item H-2a, 10/22/98; Req - Commission)
- H-5b** **ALTERNATE ORDER TO ITEM H-5.** In addition to imposing a penalty of \$336,000 against Pacific Gas & Electric (PG&E) for 18 separate violations of Rule V.F.1 of the Affiliate Transaction Rules, this alternate order requires PG&E to issue corrective advertising.
(Com Conlon)
(Agenda 3001, Item H-5b, 10/8/98; Agenda 3002, Item H-2b, 10/22/98; Req - Commission)
- H-6** **A97-07-008 - Landmark Communications, Inc. (Landmark).**
On rehearing (D98-02-115) from D97-11-056. This decision finds Landmark and William Kettle, its alter ego, unfit to be awarded a Certificate of Public Convenience and Necessity. This proceeding is closed.
(Com Bilas - ALJ Ramsey)
(Section 311)
(Agenda 3001, Item 1, 10/8/98; Agenda 3002, Item H-3, 10/22/98; Req - Commission)
- H-7** **A96-08-001 - Pacific Gas and Electric Company (PG&E).**
For approval of valuation and categorization of non-nuclear generation-related sunk costs eligible for recovery in the competition transition charge. A96-08-006, A96-08-007, A96-08-070, A96-08-071, A96-06-08-072 - Related matters. This decision addresses the issue of how the competition transition charge is applied to new customer load, where that load is served by a direct transaction that does not otherwise require the use of transmission or distribution facilities owned by PG&E, Southern California Edison Company, and San Diego Gas & Electric.
(Coms Conlon/Bilas - ALJ Minkin)
(Section 311)
(Agenda 3001, Item 2, 10/8/98; Agenda 3002, Item H-4, 10/22/98; Req - Commission)
- (Rev.)** [This revision was not listed on the agenda distributed to the public.](#)

- H-7a** **ALTERNATE ORDER TO ITEM H-7.** This alternate order concludes that new customer load which is connected to the utility's transmission and distribution system for any purpose, including standby service, is not exempt from the competition transition charge collection related to that load.
- (Rev.)** (Com Conlon)
(Agenda 3001, Item 2a, 10/8/98; Agenda 3002, Item H-4a, 10/22/98;
Req - Commission)
[This revision was not listed on the agenda distributed to the public.](#)
- H-7b** **ALTERNATE ORDER TO ITEM H-7.** This alternate order finds that new customer load served by a direct transaction that does not require use of the utilities' transmission and distribution systems may be connected for standby service and still be exempt from competition transition charge collection related to the new load served by the direct transaction. This alternate defines a physical test to determine whether a direct transaction requires use of the utilities' transmission and distribution systems.
(Coms Duque/Bilas)
(Agenda 3002, Item H-4b, 10/22/98; Req - Commission)
- H-8** **R97-04-011 - Order instituting rulemaking to establish standards of conduct governing relationships between energy utilities and their affiliates. I97-04-012 - Related matters.**
This decision addresses San Diego Gas & Electric Company's and Southern California Gas Company's June 30, 1998, petition for modification of the disclaimer requirement contained in Rule V.F.1 of the Commission's Affiliate Transaction Rules.
(Coms Bilas/Knight - ALJ Econome)
(SB 960 Experiment: Quasi-legislative Category)
(Agenda 3001, Item 9, 10/8/98; Agenda 3002, Item H-5, 10/22/98;
Req - Commission)
- H-8a** **ALTERNATE PAGES TO ITEM H-8.** These alternate pages would modify Rule V.F.1 to require the use of the disclaimer only for promotional materials.
(Com Neeper)
(Agenda 3002, Item H-5a, 10/22/98; Req - Commission)

H-8b **ALTERNATE PAGES TO ITEM H-8.** These alternate pages would clarify that Rule V.F.1 does not require the use of the disclaimer when the name or logo used by both the utility and its affiliates are owned by the parent company, and would modify Rule V.F.1 to require the use of the disclaimer only for promotional materials.
(Com Neeper)
(Agenda 3002, Item H-5b, 10/22/98; Req - Commission)

H-9 **A97-10-024 - Southern California Edison Company (Edison).**
This decision adopts revenue requirements for non-nuclear capital additions added to rate base in 1996 by Edison. The amounts adopted in this decision for capital additions will be included in Edison's Transition Cost Balancing Account for recovery pursuant to Public Utilities Code Section 367. This proceeding is closed.
(Coms Bilas/Conlon - ALJ Malcolm)
(Section 311)
(Agenda 3002, Item 2, 10/22/98; Req - Commission)

ORDERS

- 1 C96-05-010 - Alfred Sacker vs. Southern Pacific Lines.**
This decision finds that the Defendant railroad has completed necessary crossing repairs in Whittier but only after undue delay. Defendant ordered to develop and publicize a system for logging and addressing crossing and similar complaints in California communities where Defendant operates. These proceeding is closed.
(Com Conlon - ALJ Kotz)
(Section 311)
- 2 R98-05-031 - Order instituting rulemaking on the Commission's own motion into the statewide expansion of public pay telephones.**
This order expands the public policy payphone and payphone enforcement programs from the service territories of Pacific Bell and GTE California, Inc. to the entire state. The order changes the criteria used to determine eligibility for the public policy payphone program, establishes a bidding process for the public policy payphone program, and establishes uniform funding procedures for the public policy payphone and payphone enforcement programs.
(Com Bilas - ALJ Galvin)
[This revision was not listed on the agenda distributed to the public.](#)
- 3 R93-09-026 - Order instituting rulemaking on the Commission's own motion to revise General Order (GO) 156.**
This decision amends GO 156 (re Women, Minority and Disabled Veterans Business Enterprises) to reflect changes made necessary by settlement agreement in Bras v. CPUC. This proceeding is closed.
(Com Conlon - ALJ Ramsey)

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 Res E-3548 - San Diego Gas & Electric Company (SDG&E).**
SDG&E transmits its affiliate transactions compliance plan in accordance with Ordering Paragraph (OP) 2 of D97-12-088. SDG&E's compliance plans were effective upon filing. This resolution rejects portions of SDG&E's filings and approves other portions. SDG&E is ordered to file a new Advice Letter to comply with OP 2 of the Decision.
(Advice Letter (AL) 1068-E/1078-G, filed December 31, 1997 and AL 1068-E-A/1078-G-A, filed January 30, 1998)
(Agenda 2996, Item E-6, 7/2/98; Agenda 2997, Item E-4, 7/23/98; Agenda 2999, Item E-2, 9/3/98; Agenda 3000, Item E-2, 9/17/98; Agenda 3002, Item E-1, 10/22/98; Req - Commission)
- E-1a ALTERNATE PAGES TO RESOLUTION E-1.** These alternate pages do not allow any sharing of risk management activities.
(Com Knight)
[This item was not listed on the agenda distributed to the public.](#)
- E-1b ALTERNATE PAGES TO RESOLUTION E-1.** These alternate pages require the utility to further justify the proposed firewalls for their shared information technology systems.
(Com Bilas)
[This item was not listed on the agenda distributed to the public.](#)
- E-2 Res G-3238 - Southern California Gas Company (SoCalGas).**
SoCalGas transmits its affiliate transactions compliance plan in accordance with Ordering Paragraph (OP) 2 of D97-12-088. SoCalGas' compliance plans were effective upon filing. This resolution rejects portions of SoCalGas' filings and approves other portions. SoCalGas is ordered to file a new Advice Letter to comply with OP 2 of the Decision.
(Advice Letter (AL) 2661, filed December 31, 1997 and AL 2661-A, filed January 30, 1998)
(Agenda 2996, Item E-8, 7/2/98; Agenda 2997, Item E-6, 7/23/98; Agenda 2999, Item E-4, 9/3/98; Agenda 3000, Item E-4, 9/17/98; Agenda 3002, Item E-2, 10/22/98; Req - Commission)

- E-2a** **ALTERNATE PAGES TO RESOLUTION E-2.** These alternate pages do not allow any sharing of risk management activities.
(Com Knight)
This item was not listed on the agenda distributed to the public.
- E-2b** **ALTERNATE PAGES TO RESOLUTION E-2.** These alternate pages require the utility to further justify the proposed firewalls for their shared information technology systems.
(Com Bilas)
This item was not listed on the agenda distributed to the public.
- E-3** **Res G-3245 - Southern California Gas Company (SoCalGas).**
This resolution conditionally approves SoCalGas' request for approval to competitively bid the weatherization portion of its 1999 low-income program.
(Advice Letter 2731, filed August 4, 1998)
(Agenda 3002, Item E-4, 10/22/98; Req - Commission)
- E-4** **Res G-3243 - Southern California Gas Company (SoCalGas).**
This resolution denies SoCalGas' request for authorization to adjust its cogeneration default rates due to the sale of a utility generating facility.
(Advice Letter 2701, filed April 20, 1998)
(Agenda 3002, Item E-5, 10/22/98; Req - Commission)
- E-5** **Res G-3242 - Southern California Gas Company (SoCalGas).**
This resolution approves authorization to establish a single customer class for all electricity generators in its service territory. This resolution also denies request to eliminate the collateral discount rule and the cogeneration gas allowance.
(Advice Letter 2709, filed May 5, 1998)
(Agenda 3002, Item E-6, 10/22/98; Req - Commission)

WATER MATTERS

W-1

Res W-4119 - Great Oaks Water Company, Inc. (GOWC).

This resolution authorizes GOWC to serve the Coyote Valley, southeast of San Jose, California.

(Advice Letter 147, filed June 5, 1998)

(Agenda 3002, Item W-1, 10/22/98; Req - Commission)

ADMINISTRATIVE LAW JUDGE DIVISION RESOLUTIONS

ALJ-1 **Res ALJ-176-3003** - Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

MANAGEMENT RESOLUTIONS

- M-1** **Res M-4792** - This resolution requires utilities to provide information to the Commission regarding their efforts to achieve compliance with the Year 2000 problem, to certify that they are compliant by November 1, 1999, and to develop contingency plans to address Year 2000 problems which may nonetheless result. This resolution also requires certain utilities to participate in industry-wide Year 2000 efforts and to provide information submitted to industry groups and/or to the Securities and Exchange Commission.

LEGAL DIVISION MATTERS

LEGISLATIVE MATTERS

- LEG-1** California Law Revision Commission Tentative Recommendation on Condemnation by Privately Owned Public Utility. The Law Revision Commission is considering a recommendation to amend Public Utilities Code sec. 610 to make explicit the Public Utilities Commission's authority to regulate the exercise of condemnation power by privately owned public utilities. The amendment is intended to eliminate any argument that the specific grants of condemnation power to public utilities in the Public Utilities Code are exempt from regulation by the Commission.

RESOLUTIONS AND MEMORANDUMS

- L-1** **Res L-272** - This resolution responds to Public Records Act request by Rebecca Smith for disclosure of all electric incident reports filed by electric utilities during the past ten years, in an unredacted form which reveals the names and addresses of electric incident victims and witnesses, rather than in the redacted form released pursuant to Resolution L-265. Resolution also responds to Public Record Act request by the Los Angeles Times and Times Staff Writer Michael Wagner for disclosure of unredacted electric incident reports filed by electric utilities, accident investigation reports prepared by the Commission, and correspondence related to such accident reports and investigative reports.

COMMISSIONERS' REPORTS

Commissioner Conlon

- Electric Matters
- Transportation Matters

Commissioner Knight

- Telecommunications Matters

Commissioner Duque

- Water Matters
- Administrative Matters

Commissioner Neeper

- Consumer Protection Matters

President Bilas

- Natural Gas Matters

EXECUTIVE DIRECTOR'S REPORT

Wesley M. Franklin, Executive Director

GENERAL COUNSEL'S REPORT

Peter Arth, Jr., General Counsel

DIRECTORS' REPORTS

Lynn T. Carew, Chief
Administrative Law Judge Division

Paul Clanon, Director
Energy Division

Jack Leutza, Director
Telecommunications Division

Dean J. Evans, Director
Water Division

Kenneth L. Koss, Director
Rail Safety and Carriers Division

William Meyer, Director
Strategic Planning Division

Elena Schmid, Director
Office of Ratepayer Advocates

William Schulte, Director
Consumer Services Division

Michael A. Doyle, Representative
Southern California

Robert T. Feraru
Public Advisor

CLOSED SESSION

This notice is furnished under Government Code Section 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider institution of proceedings and pending litigation as provided under Government Code Section 11126(p) and (q), and personnel matters as provided under Government Code Section 11126(a). Items to be considered under Government Code Section 11126(p), 11126(q)(2) and (3) and 11126(a) are not required to be made public. The list of items on the following pages, to be considered under Government Code Section 11126(q) (1), are required by the Government Code to be made public. If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Section 11125.2 and 11126.3(f).

APPELLATE SECTION ITEMS**ORDERS HELD OVER**

HEX-1 **A97-05-011, A97-06-046, A97-07-005, A97-08-064** - Disposition of applications for rehearing of D97-12-093 filed by Sierra Pacific Power Corporation and PacifiCorp. D97-12-093 addresses the application of AB 1890 to smaller and multi-jurisdictional utilities including such matters as direct access, bill unbundling, transition cost recovery, the operation of transmission and public purpose programs. The applications allege a number of errors including claims that rates are unreasonable and that AB 1890 and/or D97-12-093 do not meet constitutional requirements relating to confiscation and equal protection.
(Agenda 2992, Item EX-7, 5/7/98; Agenda 2993, Item HEX-1, 5/21/98; Agenda 2994, Item HEX-3, 6/4/98; Agenda 2995, Item HEX-2, 6/18/98; Agenda 2996, Item HEX-1, 7/2/98; Agenda 2997, Item HEX-1, 7/23/98; Agenda 2998, Item HEX-1, 8/6/98; Agenda 3001, Item HEX-1, 10/8/98; Req - Commission)

HEX-2 **A96-03-054** - Disposition of applications for rehearing of D97-05-088 filed by: The Utility Reform Network ; Pacific Gas and Electric Company; The San Luis Obispo Mothers for Peace, Rochelle Becker and Life on Planet Earth; and San Luis Obispo County and San Luis Coastal Unified School District. In the context of electric restructuring, D97-05-088 established a revenue requirement for the Diablo Canyon Nuclear Power Plant by determining the amount of sunk costs and by instituting an incremental cost incentive price. Other matters, e.g. issues relating to safety and local tax revenue, were also decided.
(Agenda 3002, Item EX-3, 10/22/98; Req - Commission)

ORDERS

EX-1 Compilation of applications for rehearing filed with the Commission and Petitions filed with the California Courts since the last Commission Meeting and a summary of recent developments in state courts and state agencies in cases in which the California Public Utilities Commission is a party or intervenor or intends to intervene.

EX-2 **I93-12-007** - Disposes of applications for rehearing of D96-12-071 filed by (1) GTE Mobilnet of California LP, GTE Mobilnet of Santa Barbara LP, GTE Mobilnet of San Diego, Inc., Fresno MSA LP, and Contel Cellular of California, Inc.; (2) Sprint Spectrum LP and Cox California, Inc.; (3) Airtouch Cellular, Los Angeles SMSA LP, Sacramento Valley LP, and Modoc RSA LP (Airtouch); (4) Cellular Carriers Association of California; and (5) AT&T Wireless Services, Inc. Rehearing applicants allege that D96-12-071 errs in concluding that the Commission's Commercial Mobile Radiotelephone Service unbundling and switch interconnection programs are not preempted by federal law. Carriers further argue that those programs are outdated and the need for them is not supported by the record. Airtouch and the Cellular Carriers also argue that the need for consumer protection rules is unsupported in the record.

EX-3 **A97-04-043** - Disposition of application for rehearing of D98-10-010 filed by Vasona Properties/Boccardo Corporation. In D98-10-010, Pacific Gas and Electric Company (PG&E) was granted a Permit to Construct Vasona Substation, an electric substation. The rehearing applicant claims that the Commission violated its own rules (Rules 51 et seq.) and applicant's due process rights in its decision by partially approving a joint stipulation, while rejecting the provision in the stipulation which required PG&E to underground a transmission line in the construction of its Vasona electric substation.

EX-4 **R97-04-011, I97-04-012** - Disposition of applications for rehearing of D97-12-088, filed by Wild Goose Storage, Inc. and Washington Water Power Company (“WWP”). The applicants challenge the affiliate transaction rules for energy utilities and their affiliates that were adopted in D97-12-088. Wild Goose alleges that the decision violates due process; does not have legally sufficient findings of fact and conclusions of law; fails to adhere to the policies established in the gas storage decision; and does not consider the adverse and disproportionate affect the rules will have on the operation of Wild Goose and similarly situated providers. WWP claims that the Commission has exceeded its jurisdiction and violated its constitutional and statutory rights.

EX-5 Discussion of legal issues, including possible intervention, in Court of Appeals review of the decisions to stay proceedings pending the outcome of the Commission’s investigation of water safety in Adler, et al. vs. Southern California Water Company (Los Angeles County Superior Court No. BC 169892) and related cases.

FEDERAL SECTION ITEMS

- FEX-1** A monthly summary of recent developments in Federal Agency and Federal court Cases in which the California Public Utilities Commission is a party or has intervened.

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Those intervenors who have financial hardship determination pending or granted shall be eligible to receive draft agenda item packets at no charge.